

Oregon Sweet Cherry Commission
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REGULAR MEETING MINUTES
Columbia Gorge Community College
400 E. Scenic Dr, Building 1, Room 1.454
Tuesday, February 23, 2016, 10:00 A.M.

Call to Order/Introductions

Dan Crouse, Chairman, called the meeting to order at 10:14 a.m. the following Commissioners including Dan, were present: Stacey Cooper, Jim Markman, Ryan Bond, Jeff Heater, Les Stephens and Andrea Galloway constituting a quorum. Leonard Aubert joined the meeting at 10:24.

Introductions were made around the table: Tom Kubitz, Seneca Foods, Eric Shrum, Western Ag and co-Chair of the Research Committee, Dave Losh, Oregon Ag Statistics Service (OASS), Mike Willet, Washington Tree Fruit Research Commission (WTFRC), Dana Branson, Administrator.

Kris Anderson, Oregon Department of Agriculture (ODA) Commodity Commission Program Manager also joined the meeting at 10:24. Megan Thompson and Sue Root, Oregon Cherry Growers, Brian Tuck, Mid-Columbia Agricultural Research & Extension Center (MCAREC), Bryce Molesworth and Jan Wasson, National Cherry Growers & Industries Foundation all joined at various times.

The minutes of the regular meeting held on December 17, 2015 were emailed in advance and available at the meeting. *Andrea Galloway moved and Jeff Heater seconded to approve the minutes as submitted. The motion carried unanimously.*

The minutes of the special meeting held by conference call on January 19, 2016 were emailed in advance and available at the meeting. *Jeff Heater moved and Stacey Cooper seconded to approve the minutes as submitted. The motion carried unanimously.*

The financial statements for December and January were emailed in advance and available at the meeting. There were no questions. *Ryan Bond moved and Les Stephens seconded to accept the financial reports for December and January as submitted. The motion carried unanimously.*

Administrator's Activity Report

Dana was asked at the December meeting to get another bid for the audit that has to be done at the end of the fiscal year June 30, 2016. The first bid was from Merina & Company for \$5,000. This firm has performed the previous OSCC audits. Kris Anderson suggested contacting Grove, Mueller and Swank, an accounting firm that performs audits for other Oregon commodity commissions. Their bid was \$6,500. *Jeff Heater moved and Jim Markman seconded to contract with Merina & company for the 2015-16 audit. The motion carried unanimously.*

Dana was authorized to send certified letters to follow up on fruit stand and direct sale assessments to 8 producers that had not responded or had not fully responded to previous contacts. The letter explained that penalties and interest for 2015 were waived, but would not be in the future. As of the meeting only two producers have not responded; one failed to pick up the certified letter at all. Dana will continue to attempt to contact the two remaining producers.

The OSCC office has received requests for donations to two Oregon Farm Bureau projects - a scholarship fund and the Century Farm and Ranch Program as well as the Denim & Diamonds fundraiser for the Oregon Aglink Foundation and participation in The Bite of Oregon again this year. Dana contacted Northwest Cherries regarding The Bite because for the past two years they have paid the fee to sponsor and OSCC has coordinated obtaining product for the chefs, banners and handouts. *Jeff Heater moved and Leonard Aubert seconded to support The Bite (cost of product in 2015 \$917) and Denim & Diamonds (\$2,500) at the same level as last year. The motion carried unanimously.*

There was discussion about how to distribute the tickets for the Denim & Diamonds event. The suggestion is to put an article in the spring newsletter asking those growers interested in attending to contact the OSCC office to have their name put in a drawing. One Commissioner will be chosen to attend to act as a host and to report back to OSCC.

ODA Report

Kris went over the list of Commissioners whose terms are expiring as of June 30, 2016. She wants to try to get all applications in for Katy Coba's review by April 22nd because of the large number of appointments to be made this year. Jeff Heater (Handler 1 position) and Tom Brateng (Producer 1 position) are not eligible for re-appointment because of term limits. Les Stephens and Stacey Cooper are eligible for re-appointment.

Kris is working on scheduling a meeting of the Commodity Commission Advisory Board to discuss the allocation of ODA costs. There is currently a

cap for the largest commission and a minimum amount for the smallest ones. Kris advised estimating 3% of the assessments revenue of 2014-2015 for the ODA fee in the upcoming 2016-2017 budget. Kris will notify every one of any openings on the Advisory Board. She said Nels Iverson has already notified her that he will be stepping down at the end of his term.

Theresa Yoshioka, ODA Marketing, was involved with a trade trip to Japan involving department stores that featured Portland. Miss Oregon was on the trip and brought a lot of publicity with her good looks. Two chefs from Japan will be coming to FEAST. Theresa is also working with WUSATA making a trip to FoodEx in Japan focusing on buyers of dessert ingredients and items – this might be a good opportunity to market cherries.

Three groups of commodity commissions are applying for Farm to School grants that involve teaching students about their commodities and can involve taste tests. One of the groups, Beef and Dairy, are collaborating with Ag in the Classroom to apply for Farm to School grant dollars. This is the first year that the Legislature has made approximately \$800,000 in grant funds available to the commissions and other groups. The grant applications are due later this month. Projects will be funded for this school year and through June 30, 2017. Kris advised that if these grants are successful and the Legislature funds them beyond 2017, OSCC might want to invite an Ag in the Classroom representative to a commission meeting to discuss collaborating. The Legislature made separate funds available to schools to be used to buy local products for school lunches. Kris also talked about the Farm to School gardens; there are 618 across the state. Some schools have expressed interest in planting fruit or nut trees. The Commissioners felt this would present many challenges because of the length of time to produce fruit, a spray program that could be administered and would meet parental concerns regarding the children's exposure, tree pruning and training. However, if children saw what was involved with growing cherries it might give them an appreciation.

Chairman's Report

Dan Crouse and Les Stephens attended the California Research Review held January 26, 2016 in Stockton, CA. California is very focused on SWD because it was found in a packinghouse this season. Their researchers are working with Kasumin as a potential treatment for bacterial canker. They believe they're working with a different strain of bacterial canker than is found in the Northwest. It was stressed that it would have to be used in rotation with other materials to avoid resistance. The genetic modification of insects project is proceeding due mainly to the interest in the Zika

outbreak. The researchers think they could wipe out SWD in 3-4 years with modified insects and they believe they have the political backing to get the release approved.

Research Committee Report

Since the last OSCC meeting there has been activity relating to personnel at MCAREC. Research Committee members have attended meetings with OSU representatives and the MCAREC Advisory Board. Peter Shearer has resigned and will be gone within two weeks. OSU has said it could be two years to replace him, which presents a hardship for the growers in the state. There was discussion of what work has been completed and documented, what work has been paid for, the prospects of getting funds returned if the work product expected is not adequate or complete. Shearer was in the first year of a two-year project and in the second year of a three-year project. All the payments approved by contract have been invoiced and paid by OSCC. Kris Anderson went over some of the language in the Master Agreement and Task Order with the Ag Research Foundation (ARF) related to OSCC payment for OSU research projects. The Commissioners expressed dissatisfaction with the way the situation has been handled by OSU. Shearer's work has been valuable to the industry and is not the source of the dissatisfaction. *Stacey Cooper moved and Jeff Heater seconded to write a letter to ARF to terminate Shearer's funding and ask for a refund of any money not spent for the 2015-16 fiscal year. The motion carried unanimously.* Kris Anderson will help with drafting the ARF letter.

Stacey Cooper moved and Jeff Heater seconded to rescind funding for Shearer's portion of any projects approved on the January 19, 2016 conference call special meeting for the 2016-17 season. The motion carried unanimously.

Jim Markman moved and Andrea Galloway seconded to write a letter to the OSU Dean requesting a meeting outlining the reasons. The motion carried unanimously. Commissioners will be asked to review it before it's sent. Once it's finalized a copy will be sent other commodity commissions in the state for their information and possible participation in a meeting with OSU.

The Cherry Breeding Program maintenance proposal for this coming season is not finalized. Mike Willet reported he thought it was close to being done. Washington State University (WSU) is interviewing/hiring a program manager and there is currently a promising candidate. WSU has committed to \$35,000 for the program. The WTFRC will be supportive of the work, but would like to reduce their level of commitment. When the

new person is hired a meeting with all interested parties to ensure expectations are clear is planned. There are many questions regarding crosses made in past years, which ones should be destroyed and which ones might have value. The plantings need to be consolidated to reduce the area being used and being charged. The fruit analysis prior to last year was not reliable so it's difficult to draw conclusions. Eric Shrum, co-Chair of the Research Committee, went up to Prosser once a week last season to check on what was being done. He may not be able to do that this year so Bryce Molesworth and John Carter have volunteered to help. *Stacey Cooper moved and Jeff Heater seconded to approve payment of state per diem costs for mileage and meals for Molesworth and/or Carter on these trips. The motion carried unanimously.*

OSU Research & Extension Report

Brian Tuck came from a staff meeting on farm management at MCAREC this morning. Labor is a big issue due to changes in rules effective last year regarding pay for workers on the station. They can't use piece rate for harvest. They are looking for a labor contractor to provide pruning service and investigating the possibility of leasing out part of the production not utilized for research. They are contacting other universities for other ideas. So far WSU in Prosser and Wenatchee handle it differently from MCAREC and each other.

OSU is working to retain Todd Einhorn. Over the last five years the overall station budget has been cut by over 25% with the majority of that cut coming from the farm operating budget which amounts to about a 50% cut in funding to support farm operations. There was a question about the number of acres on the station that weren't harvestable due to research. Shearer's plots were the only ones not harvestable because he could be testing unregulated products.

The meeting was recessed for lunch at 12:01 and reconvened at 12:29.

Northwest Horticultural Council (NHC)

Dan Crouse said there's not much to report at this time. They are working on looking for a replacement for Mike Willet and food safety issues.

Old Business

Travel expenses for out of state travel for Stacey Cooper to represent the OSCC at the National Cherry Growers and Industries Foundation (NCGIF) annual meeting were not approved at the December meeting because the meeting location was not known. The meeting was held in Phoenix, AZ on January 28, 2016 and Stacey did attend. It was held there because the agency that's been hired for social media and other promotions is based

there and the Board wanted to see the facility and meet the staff. *Les Stephens moved and Leonard Aubert seconded to approve reimbursement of Stacey's travel expenses to the NCGIF annual meeting. The motion carried unanimously.* Stacey reported that the company, Ignite Creative Services is impressive. The staff is enthusiastic, well connected in the restaurant, bar, leisure environment and capable. They focus on creating the materials, photography, recipes and campaign in house. This reduces costs and they're doing a good job.

On a related topic Bryce Molesworth, Promotion Committee Chairman for NCGIF, is here today with Jan Wasson. Jan is taking over as the Secretary for NCGIF and will be the point of contact for the organization going forward.

New Business

Two representatives of Seneca Foods, Tom Kubitz and Mike Steffey, joined the meeting today. Seneca purchased Diana Fruit, a California company that brines and finishes maraschino cherries in addition to Gray & Company. Seneca will be buying cherries as Gray and Diana have in the Wasco and Hood River County areas this year. They talked a little about their company.

Dave Losh, Director of Oregon Ag Statistics Service, reported that the Preliminary non-Citrus Fruit & Nut Survey that was previously issued in January of each year has been discontinued as a cost saving measure. The Final report will still be issued in July. He went through some survey and reports being done for example, determining what's considered 'local' production, looking at urban agriculture – Seattle has been chosen as an area to look at, organic production, and pesticide surveys. On the topic of pesticide surveys one Commissioner expressed that she was asked for spray records as opposed to be asked to complete a survey on pesticide use. She did not want to give spray records and so refused to participate. She asked Dave to take her comment back to the organization because turning over spray records is sensitive. She would respond favorably to a survey.

Next Meeting

The next regular meeting will be April 12, 2016 in the Meeting Room at the Mid-Columbia Research & Extension Center, 2990 Experiment Station Dr., Hood River, OR at the starting at 1:00 p.m. – please note different start time.

Adjourn

The meeting adjourned at 12:54 p.m.